~~SECRET~~ ~~CONFIDENTIAL~~

MEMORANDUM FOR: Colonel Terhune SEP 5 1956

SUBJECT: Report of Trip 28 - 30 August 1956

1. I accomplished the handcarrying of the letter requesting additional funds for WS 117L per your original instructions. In capsule I received a favorable reception both at ARDC and in the Pentagon, but due to General Putt's absence in Europe until 15 September, I was unable to get a firm Hq. USAF commitment regarding the funds requested.

2. The trip through Baltimore was quite easy due to the cooperation of Colonel Worthman and his office. We jointly wrote the first indorsement and after getting it approved in draft with some minor modifications by General Ostrander, we secured the required coordination of the comptroller and programming people and got it signed out by General Ostrander (Copy attached). I delivered the letter through the DCS/D mail room to Colonel Finton, General Putt's Executive Officer. Colonel Finton express complete confidence that we would receive the funds that we had requested because of General Putt's strong interest in the system and because of his specific instructions to both General Stranathan and to Colonel Rogers during the last week. Colonel Finton stated that the letter would be sent to Colonel Rogers, Assistant for development programming for action, and that he would keep a close check on the action being taken. He also agreed that he would inform us through Colonel Worthman of any significant developments. I then discussed the letter with Colonel Rogers and with his Budget Officer, Colonel Reber. They did not seem to question that we would get the money but were more concerned as to how they were going to make it available. Colonel Reber had several questions regarding the non-600 money which I answered to his satisfaction. I then outlined for them the process by which the estimate had been reached, and this they thought was a reasonable action. I also discussed more fully with them our presently contemplated activity regarding the LAC contract, and reemphasized the need for a timely decision regarding additional funding. Colonel Reber agreed that we should have word from them not later than 15 October as to the specific action that they were going to take. I offered to stay around in the Pentagon and assist in getting the request underway for the non-600 money (since they were not sure until General Putt returns just what route they were going to go for the 600 money) but Colonel Reber indicated that he felt he had adequate information on which to act and would not need me to stay. I offered the services of our office to give them further information should such be required in regard to this critical funding problem. One fact which bears upon the speed with which they can act is that DCS/D has yet to receive their FY 57 P-600 apportionment. The Air Force budget recently submitted, contained $610,000,000 in P-600. Congress voted $710,000,000 and they have requested an apportionment of something over $650,000,000. Colonel Rogers was not sure whether they would get what they had asked for, more, or less. Based upon information received in Baltimore, I suggested to them several specific programs which had either been deferred or cancelled for other reasons them funding as sources from which the necessary 600 funds could be transferred. From their reaction to one of these it was my conclusion that this was what they had in mind in providing money for 117L.

DOWNGRADED AT 12 YEAR INTERVALS; NOT AUTOMATICALLY DECLASSIFIED. DOD DIR 5200.10

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3. While I was in the Pentagon I also determined that the request for a contractual determination and finding for the ARS would probably be signed out by the end of the week. The actual DF stated something to the effect that it was anticipated that approximately $18,000,000 would be put on the system during this fiscal year, that the initial contract funding would be in the amount of $3,000,000.

4. Other than keeping in touch with the action being taken by DCS/D in regard to this funding request, no follow up action is required until approximately 10 October at which time if we have not heard we should ask for their decision. We plan to write the contract with Lockheed in such a way that we will have timely notice before Lockheed reaches a certain balance level on the initial $3,000,000. Tentatively we are thinking of setting this at a 30 day notice when they expect to reach 50% or $1,500,000.

[redacted]

1 Incl:
1st Ind. Subj: Requirement for Additional Fy 57 Funds for WS 117L (Uncl) see under date 28 Aug 1956

FREDERIC C. L. OLMER
Lt. Colonel, USAF
Assistant for WS 117L
Technical Operations

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